combination of Wilson and Sitrick does not expressly teach game start synchronization through the network game machine, but considers such feature to be well known, particularly for games that require synchronized starts, like racing games. Applicant firmly believes that the rejection is erroneous and it is traversed.

In arguing the patentability of the invention to distinguish the invention of claims 1 and 11 over Sitrick and Wilson, several arguments were made by the Applicant:

- Applicant asserted that the step of "simultaneously executing" the racing game by each of the game machines presents a first substantive difference. Applicant noted that the <u>separate and simultaneous execution</u> of the race game was facilitated and necessitated by the independent control that each player has in establishing the parameters of the player's horses.
- Applicant also asserted that the step of "collecting" both (1) the execution states
 and (2) betting data from all the game machines at the controller presents a second
 substantive difference.
- Finally, Applicant asserted that the step of "presenting" in real time <u>both</u> (1) the collected race executing states and (2) integrated betting odds to the players at all the game machines provided a third difference.

In response to the first of the three arguments previously presented by the Applicant to distinguish claims 1 and 11 over Sitrick, the Examiner contends that Sitrick does teach the first feature of "simultaneously executing" the game at each game machine because a user creates his or her own character function and image, with reference to col. 11, lines 35-51. This is plainly in error.

First, the Applicant respectfully submits that claims require simultaneously executing the racing game by each game machine. This is not taught or suggested by the prior art. Specifically, Applicant submits that the passage cited by the Examiner at col. 11, lines 35-51 simply suggests that a user can create his or her own pre-selected character functions, which can then be incorporated into the overall video game presentation. Applicant contends that, on the basis of the various architectures illustrated in Figs. 2A-2D of Sitrick, there is no clear teaching of an execution of the game at each individual game machine. Instead, the game would be

understood by one skilled in the art to be <u>centrally processed</u> and a display related to such execution is effected by the individual terminals. As explained at col. 10, lines 34-52, the player taps into the centrally located game center database and incorporates the individual parameters into an overall video game. Thus, the individual terminals may be able to accept parameters for a particular character function and can specify them for execution by the central processor. However, there is no express teaching that individual terminals are executing the game <u>concurrently</u>.

Second, the Applicant respectfully asserts that the Examiner's comment with respect to the creation of a character function and image is not directed to the claim language. The claim expressly requires separate and simultaneous execution. The Examiner has not pointed to any teaching of separate and simultaneous execution of a game at each terminal in Sitrick. The Examiner's comment merely addresses one argument that Applicant used to show why it is important for each game machine to execute the same game independently. However, Applicant did not state that the entry of character information indicates local execution of the game. The entry of character profile information at each terminal in the Sitrick system may be received by a terminal but may then be transmitted to a central controller that alone executes game, with the results then distributed to each terminal. Applicant submits that a local game execution, whereby execution states of a race are generated at each terminal, is not disclosed in Sitrick.

In this regard, however, even if games are executed locally, the results may be shared among individual other games so that they all can be updated. In other words, individual game results are sent by each terminal to other terminals, but execution states are not sent to a central controller and processed centrally, with the result being presented centrally as game progress and betting odds.

With respect to the second of the three arguments, the Examiner has not even addressed this specific point. Thus, Applicant again asserts that there is no teaching that execution states from several terminals are collected and used to generate a collective display. Applicant submits that Sitrick has only broad teachings that do not disclose this claimed detail. Again, Sitrick is more compatible with the use of terminals as data input devices to a central game processor. Sitrick does <u>not</u> teach or suggest a system with terminals that <u>each act locally as game execution</u>

<u>devices</u> where the states of the game during its execution locally are collected by a controller, and those interim execution states processed to provide an overall race result for the participants.

Finally, with regard to the third point, as noted already, there is no disclosure in Sitrick of the concept of a system where the central controller, after collecting the <u>locally executed</u> game states and <u>locally generated</u> betting odds, presents to all players <u>in real time</u> an output based on its processing of these locally generated results and odds.

Wilson, as argued in the previous amendment, does not teach any type of game system with distributed processing. In Wilson, the game is executed on a single processor. There are multiple controllers, but these simply serve as input devices to the common processor. There is no teaching or suggestion that a single game, executed simultaneously in local terminals, can have execution states from plural terminals collected and used to generate a common display and result. Similarly, there is no teaching or suggestion that locally generated betting odds can be collected centrally and displayed to all participants. Thus, Wilson cannot remedy the deficiencies of Sitrick.

The Examiner asserts that the Applicant has directed his arguments to the art individually, and not the combination of their teachings. With this, Applicant disagrees for several reasons.

First, in conducting an analysis of the individual references, Applicant has shown that key limitations in the claims (simultaneous local execution; collection of locally generated game states and betting odds; central generation and presentation of a result of the locally generated execution states and betting odds), are not found in either reference. This is a clear argument against the combination of the references, since even their combination cannot provide all of the limitations in the claims. Several limitations are missing.

Second, Applicant has shown that the references cannot be combined. Indeed, as previously noted, the Examiner acknowledges that Applicant further asserts that the technology of Sitrick and Wilson are wholly different, but the Examiner argues that the test for obviousness is not whether the features of the secondary reference may be bodily incorporated into the structure of the primary reference, nor that the claimed invention must be expressly suggested in any one or all of the references.

Third, Applicant has argued that Sitrick teaches away from the present invention, which is directed to horse racing, and would similarly teach away from Wilson, which does involve horse racing. Sitrick is focused on auto racing and does not mention horse racing or any other type of player wagering game. The auto racing-type game suggested by Sitrick would not involve betting or the placement of odds Further, as the Examiner concedes, Sitrick does not teach a distributed game system for use with a betting game, particularly one with odds. The wholly different environment between Sitrick and Wilson would lead one away from a combination of the teachings of the two references. Sitrick involves the skill of the drivers and the equipment on their machines, while Wilson does not involve skill, but rather luck and odds as a determining factor.

Finally, the Examiner's assertion that the combination of references, particularly the addition of horse race betting to a car race, would be obvious because it would increase excitement is a clear form of hindsight. The Examiner has not pointed to any car racing game that uses betting. Such suggestion goes counter to the machine-based nature of auto racing, which has no developed betting system or history as in animal racing.

Claims 2 and 7, 11, 14 and 15 include additional details that further emphasize the uniqueness of the distributed-type racing game with associated betting and odds making, which is not seen in the prior art. Because they are dependent on parent claims that are themselves patentable, they would be patentable as well.

With regard to claims 17-26, these claims more particularly define the role of the terminals to operate independently (claims 23 and 24), the role of the control unit to collect execution states from plural locally executing terminals (25 and 26), and the capability of the system to have the local execution of all games start simultaneously, as in a horse race (claims 19 and 20 - indeed, the Examiner admits these are not taught). Further, in the absence of a teaching of the basic system architecture and locally executed functions, the betting features of claims 21 and 22 are not taught. None of these specific features are taught in Sitrick or Wilson.

As to all of the rejected claims, Applicant submits that it requires hindsight for the Examiner to reach the conclusion that the game taught by the Applicant could in fact be designed on the basis of the teachings in the two very different references.

Claims 3-4, 8-9 and 16 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Sitrick in view of Wilson and further in view of Khosla '063. This rejection, which is a repetition of the text from the first Office Action, is traversed.

The Examiner confirms that Khosla is cited to show that real time data capture for a game is known. The Examiner asserts that the references are related and that there is a motivation to combine their teachings to increase drama and publicity in an interactive game. The Examiner asserts that adding the real time feature of Khosla to the Sitrick and Wilson combination would be obvious.

For reasons given in Applicant's previous amendment, this rejection is overcome. At the least, Khosla does not remedy the deficiencies of the combination of Sitrick and Wilson, as already noted.

Claims 5, 10 and 12-13 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Sitrick in view of Wilson, and further in view of Best '026. This rejection, which is a reproduction of the text in the first Office Action, is traversed.

The Examiner asserts that the combination of Sitrick and Wilson teaches the claim limitations but admits that they do not teach using synthesized speech selected by game players. The Examiner looks to Best for a teaching of synthesized speech that is selected by a game for integration and to a video game. The Examiner concludes it would have been obvious to modify the two primary references to use synthesized speech to announce race execution states for a more realistic game atmosphere, including accent or intonation. The Examiner asserts in response to Applicant's arguments that Best does teach speech registration desired by players, particularly words to be used at different points in a game.

Applicant again submits that the claim specifically requires registration of speech with respect to game execution states, which are defined as states generated by individual terminals in locally executing the game. Nothing in the cited art teaches the capability to provide speech for locally executed games, at local terminals, where the system has a central controller that receives the execution states and betting odds and generates a real time result, as recited in the parent claims.

On the basis of the foregoing, Applicant submits that the rejections clearly are overcome and that

all of the claims are allowable.

In view of the above, reconsideration and allowance of this application are now believed

to be in order, and such actions are hereby solicited. If any points remain in issue which the

Examiner feels may be best resolved through a personal or telephone interview, the Examiner is

kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue

Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any

overpayments to said Deposit Account.

Respectfully submitted,

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PATENT TRADEMARK OFFICE

Date: June 19, 2003

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